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Commission Proposes Reforms to Bay-Delta Restoration Effort

The Little Hoover Commission on Thursday recommended overhauling how state and federal agencies are managing the massive, multibillion-dollar effort to restore the Bay-Delta estuary.

The Commission's review affirmed the importance of the CALFED Bay-Delta program and the need to fundamentally change how the multi-agency effort is governed. The Commission recommended dissolving the Bay-Delta Authority, which was created in 2003, and creating a stronger management structure that could be held accountable for achieving the program's four objectives: improving water supply reliability, levee stability, water quality and the ecosystem of the vast, yet fragile Sacramento-San Joaquin River Delta. The Delta supplies water to 22 million Californians, irrigates 5 million acres of farmland and is home to 750 wildlife species.

Through CALFED, 24 state and federal agencies were committed to working cooperatively and relying on science and public involvement to improve conditions in the Bay-Delta. But after five years and \$3 billion, the Governor and the Legislature have questioned the progress and the ability of the Bay-Delta Authority to lead the effort.

The Commission's review was requested by Governor Schwarzenegger as part of an effort to revitalize CALFED. The Commission concluded that the current structure diffuses authority and fragments responsibility and lacks the focused leadership needed to get adversarial stakeholders and reluctant government agencies to cooperate.

"Because of a faulty design, the Bay-Delta Authority cannot effectively coordinate activities, push agencies to perform, or provide rigorous oversight. It is unable to control or cajole," said Michael E. Alpert, chairman of the Little Hoover Commission.

The Commission found that growing disagreements about CALFED's mission and the role of the Bay-Delta Authority are jeopardizing the critical water supply and restoration effort. The Commission recommended recreating a policy group of public officials, co-chaired by the U.S. Secretary of Interior and the California Secretary of Resources. It recommended deploying performance management techniques to improve progress toward specific goals. And it recommended refinements to the program's use of a lead scientist and an independent science board to improve decision-making.

"The most important factor in CALFED's success will be leadership," Alpert said. "One lesson of the last five years is that CALFED will require an amount of political capital and leadership that can only flow from the institution of the Governor."

The Commission's report includes recommendations for reforming the governance structure of the CALFED program. Specifically:

- Long-term and sustainable solutions to the Bay-Delta problems must be integrated into a comprehensive water policy for California. In turn, CALFED's leaders will need to refine the goals for the restoration effort and determine who will help pay for the program.
- CALFED needs a strong leader with clear authority and consolidated responsibility to forge a stronger relationship with federal partners, engage stakeholders in a renewed effort to resolve conflicts, and direct the relevant state agencies.
- Agency leaders must manage strategically to improve performance and integrate science into decisions. "CALFED cannot lose sight of one of its primary purposes: to get agencies to work together to accomplish what they could not do alone," Alpert wrote.
- The State must make public involvement in CALFED more meaningful. Public awareness, transparency, conflict resolution and accountability are at stake.

The Commission also identified steps the Legislature should take to provide more consistent involvement and support for CALFED. Policy-makers need to explicitly endorse specific objectives so that government officials have a clear mandate to pursue progress. Lawmakers need to be clear about what they expect of state agencies and then hold them accountable for outcomes. Legislators also need to put in place external and expert oversight to independently assess progress.

The Little Hoover Commission is a bipartisan and independent state agency charged with recommending ways to increase the performance of state programs. The Commission's recommendations are sent to the Governor and the Legislature for their consideration.

The report, *Still* IMPERILED, *Still* IMPORTANT *A Review of the CALFED Bay-Delta Program*, is available on the Commission's Web site: www.lhc.ca.gov/lhc.html.